000022 JUL-22

INSTRUMENT PREPARED BY VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-09-1117-2642

ELECTIONS: V-535942

(hereinafter "Subject Drilling Unit")

#### REPORT OF BOARD

#### FINDINGS AND ORDER

- This Supplemental Order is entered by the Board sua sponte in the form 1. authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992 at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on November 29, 2011, and recorded as Instrument No. 201103367 in the Office of the Clerk of the Circuit Court for Wise County, Virginia on December 16, 2011, (herein "Board Order") and (2) to complete the record regarding elections. The Board Order established a drilling unit and pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act. § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
- 2. <u>Findings</u>: The Board finds that:
  - (a) The Board Order directed Range Resources-Pine Mountain, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

- (b) The Designated Operator filed its affidavit of mailing dated March 8, 2012, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;
- The Board Order required each Respondent whose interests, if (c) any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated March 8, 2012, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.7C (herein "Affidavit of Elections" annexed hereto), wherein it has, for each Respondent whose interests, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election(s) made, if any; and (iii) whether, by reason of failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the **Designated Operator**;
- (d) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Bank and Trust Company, Trust Division, P.O. Box 3860, Kingsport, TN 37664; Tel: (423) 246-3700; Attn: Debbie Davis, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated July 18, 2006. The Affidavit of Elections indicates that the escrow of funds is not required with regard to V-535942.
- Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at Paragraph 2 above, to the extent escrow was required and to the extent it pertained to the elections and interests of the Respondents who have entered into a royalty split agreement and no longer require escrow of any funds, the Applicant is hereby directed to provide the Board with reconciliation of its and the Escrow Agent's records so that any funds affected by this Order may be disbursed in an appropriate manner.
- 4. <u>Mailing of Order and Filing of Affidavit</u>: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this

Supplemental Order stating that a true and correct copy of this Supplemental Order was mailed within seven (7) days from the date of receipt of this Supplemental Order to each Respondent whose address is known.

- 5. <u>Conclusion</u>: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and **IT IS SO ORDERED**.
- 6. <u>Effective Date</u>: This Order shall be effective as of the date of the Board's approval of this Application, which is set forth at Paragraph 1 above.

DONE AND EXECUTED thisby a majority of the Virginia Gas and Oil Board.	day of <i>April</i> , 2012,
	Chairman, Bradley C. Lambert
DONE AND PERFORMED this 17th by the Order of this Board.	_ day of <u>April</u> , 2012,
	Rick Cooper Principal Executive to the Staff Virginia Gas and Oil Board
STATE OF VIRGINIA ) COUNTY OF RUSSELL )	
Acknowledged on this dapersonally before me a notary public in and for appeared Bradley C. Lambert, being duly swor Chairman of the Virginia Gas and Oil Board, a duly sworn did depose and say that he is Prin Virginia Gas and Oil Board, that they executed do so.	or the Commonwealth of Virginia, orn did depose and say that he is and appeared Rick Cooper, being ocipal Executive to the Staff of the
My commission expires: 9/35/13	Diane J. Davis, Notany

#### **VIRGINIA:**

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Range Resources-Pine Mountain. Inc, for the Forced Pooling of Interests in V-535942, Docket No. VGOB-09-1117-2642 in the Roberson District, Pound Quadrangle, Wise County, Virginia.

AFFIDAVIT OF MCKINNIS & SCOTT, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

- 1. That the Affiant is an attorney in the law firm of MCKINNIS & SCOTT, the Agent for the Designated Operator, with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
- That the Order entered on November 29, 2011, by the Virginia Gas and Oil Board regarding the captioned conventional gas unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
- 3. That as a result of the fact that the party respondent was not locatable, the affiant was unable to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender written notice of their election of the option selected under Paragraph 9 of the Order to the Designated Operator within thirty (30) days from the date of receipt of a copy of the recorded Order;
- 5. That the Designated Operator, by and through its agent, McKinnis & Scott, Attorneys-at-Law, has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made

with regard to Subject Drilling Unit; that the following persons or entities delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day elections period:

#### NONE

6. That the interest and/or claims of the following persons or entities (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, as unknown or unlocatable:

#### None

7. That after the pooling hearing held in the captioned matter, the following persons or entities have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims:

#### None

8. That the Designated Operator with regard to persons previously requiring the services of the Escrow Agent have now reached an agreement regarding their interests or claims that allows Applicant/Designated Operator to make royalty distribution without the need to escrow funds which would otherwise be in conflict:

#### None

9. That the Respondents identified in Exhibit B-3 hereto have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective oil and gas rights, interests and claims shall be deemed to have leased to Applicant/Designated Operator pursuant to and in accordance with Paragraph 10 of the Board Order dated November 29, 2011:

#### See Exhibit B-3

10. The Designated Operator requests that the following persons be dismissed as Respondents:

#### NONE

That pursuant to the provisions of 4VAC 25-160.70.A.10 and .C and VAC 25-160-80, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental

order sets forth that the services of the Escrow Agent **is not** required in this matter pursuant to the terms of §§ 45.1-361.21.D and 45.1-361.22.A.3 and .4.

Dated at Kingsport, Tennessee, this 8th day of March, 2012.

Timethy E. Scott, Affiant

Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this 8<sup>th</sup> day of March, 2012.

Notary Public

My commission expires: 11-20-2013



[f:msword2000\pinemountainoilandgas\pooling.V-535942.supporder&aff March 8, 2012]

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Range Resources-Pine Mountain, Inc. for Establishment of Unit and Pooling of Interests in Well No. V-535942
Docket No. VGOB-09-1117-2642
Roberson District, Pound Quadrangle,
Dickenson County, Virginia

#### **AFFIDAVIT OF MAILING**

Timothy E. Scott (herein Affiant), being duly sworn on oath, deposes and says:

- 1. That the Affiant is a member of the law firm of MCKINNIS & SCOTT, the Agent for Range Resources-Pine Mountain, Inc., with offices located at 135 W. Main Street, Suite 200, Kingsport, Tennessee 37660; that your affiant, as one of his duties, is required to mail notices to persons required to be notified of hearings before and of decisions made by the Virginia Oil and Gas Board (hereinafter the "Board");
- 2. That Paragraph eighteen (18) of a Board Order made in the above-captioned matter effective as of the 29<sup>th</sup> day of November, 2011, and recorded in the Clerk's Office of the Circuit Court of Wise County, Virginia, on the 16<sup>th</sup> day of December, 2011 as Instrument No. 201103367, directed Range Resources-Pine Mountain, Inc., or its Attorney to cause a copy of said Order as entered by the Board to be mailed to the last known address of each Respondent listed in Exhibit B-3 of the said Order within seven (7) days of receipt by the Unit Operator;
- 3. That your affiant mailed copies of the Order referred to in Paragraph "2" above on January 11, 2012 in compliance with the Board's order; that annexed hereto and incorporated herein by reference are copies of proofs of mailing showing the parties to whom the copies were mailed and the date of mailing;

4. That Paragraph eight (8) of the Board's Order required that each owner to whom a copy of the Board's Order was mailed as described above deliver a written election to Range Resources-Pine Mountain, Inc. within thirty (30) days of the date on which copies of the Order were mailed by MCKINNIS & SCOTT, Agent for Range Resources-Pine Mountain, Inc.;

Dated at Kingsport, Tennessee, this framework day of March, 2012.

Timethy E. Scott, Affiant

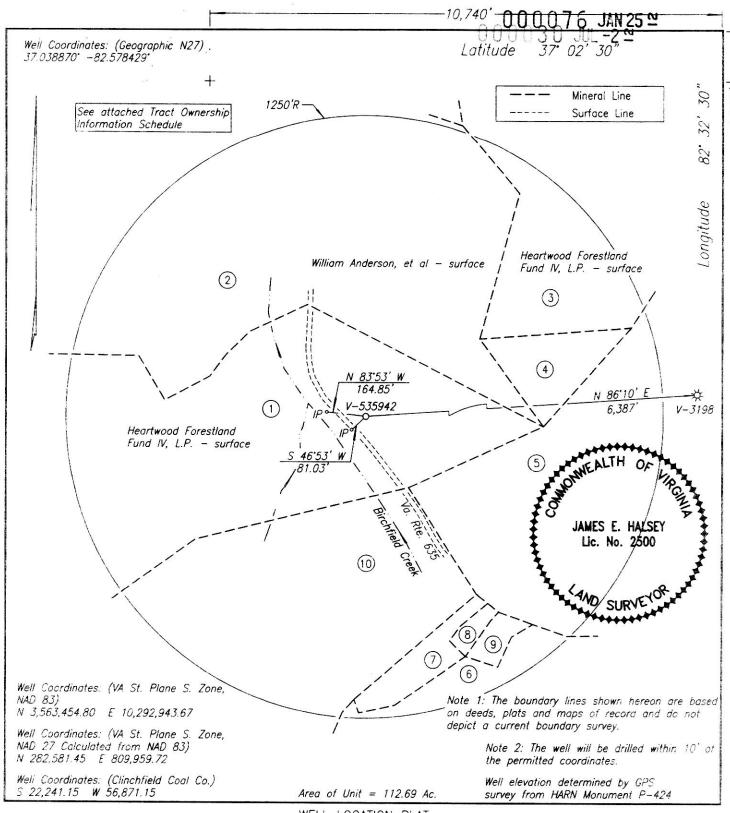
Taken, subscribed and sworn to before me by Timothy E. Scott, the Agent for Range Resources-Pine Mountain, Inc., a corporation, on behalf of the corporation, this \_\_\_\_\_th day of March, 2012.

Notary Public

My commission expires: 11-20-2013



[f:msword2000\PMOG\pooling.v-535942 affidavit.mailing.elections March 8, 2012]



282,581.45 E 809,959.72		the permitted coordinates.
Coordinates: (Clinchfield Coal Co.) 2,241.15 W 56,871.15	Area of Unit = 112.69 Ac.	Well elevation determined by GPS survey from HARN Monument P-424
	WELL LOCATION PLAT	
COMPANY Range Resouces-Pine Material RACT NO. Lease No. 906889 / T-971 (COUNTY Wise DISTRIATION Plat is a new plat x; an up to the profession of a well 24,000, latitude and longitude Licensed Profession DGO-GO-7	ELEVATION <u>1.832.55</u> QUAE  CT <u>Roberson</u> SCALE  odated plat; or a final loc	DRANGLE <u>Pound</u> 1" = 400' DATE <u>10-15-2009</u> cation plat  Maps, scale 1 to rder lines as shown.

Form

# V-535942 PLAT 00003 | JUL-2 N 000077 JAN 25 N

#### TRACT OWNERSHIP INFORMATION SCHEDULE

10/13/2009

1. Lease No. 906889 / T-971

J.A. Mann

119.37 Acres

ACIN LLC - coal

Heartwood Forestland Fund IV, L.P. - surface

Alpha Land & Reserves LLC - coal lessee

WBRD LLC - coal

Dickenson-Russell Coal Company LLC - coal lessee

Range Resources-Pine Mountain, Inc. - oil & gas

Gas 27.95 Ac. 24.80%

Lease No. 906889 / T-1007

William Mullins

160 Acres

William Anderson, et al - surface

ACIN LLC - coal

Alpha Land & Reserves LLC - coal lessee

WBRD LLC - coal

Dickenson-Russell Coal Company LLC - coal lessee

Range Resources-Pine Mountain, Inc. - oil & gas

Gas 33.35 Ac. 29.59%

Lease No. 906889 / T-1001

James McPeak

170 Acres

Heartwood Forestland Fund IV, L.P. - surface

Range Resources-Pine Mountain, Inc. - oil & gas

Gas 7.20 Ac. 6.39%

Lease No. 904576 / WI-267

E. M. Fulton

3.2 Acres

ACIN LLC - surface, oil & gas

Gas. 2.77 Ac. 2.46%

5. Lease No. 906889 / T2-89

E. M. Fulton

166.82 Acres

ACIN LLC - coal

Alpha Land & Reserves LLC - coal lessee

WBRD LLC - coal

Dickenson-Russell Coal Company LLC - coal lessee

Range Resources-Pine Mountain, Inc. - oil & gas

Gas 16.88 Ac. 14.98%

6. Lease No. 904576 / WI-22

Sarah Perry

38.48 Acres

ACIN LLC - surface, oil & gas

Gas. 2.31 Ac. 2.05%

7. Lease No.

Larry Carson Boggs - oil & gas

Acres

Gas. 1.76 Ac. 1.56%

8. Lease No.

Larry Carson Boggs - oil & gas

2.04 Acres

Gas. 0.41 Ac. 0.37%

9. Lease No.

Eddie Jason Dickenson - oil & gas

0.48 Acres

Gas. 0.65 Ac. 0.58%

10 . Lease No. 906889 / T-966

E. M. Fulton

178.94 Acres

ACIN LLC - coal

Alpha Land & Reserves LLC - coal lessee

WBRD LLC - coal

Dickenson-Russell Coal Company LLC - coal lessee

Range Resources-Pine Mountain, Inc. - oil & gas

Gas 19.41 Ac. 17.22%

## Exhibit "B" V-535942

Tract	Lessor	Lease Status	Interest Within Unit	Gross Acreage in Unit			
	Minerals only						
1	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	24.80000000	27.95000000			
2	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	29.59000000	33.35000000			
3	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	6.39000000	7.20000000			
4	ACIN LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25705-3247	Leased	2.46000000	2.77000000			
5	Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	14.98000000	16.88000000			

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ACIN LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25705-3247	Leased	2.05000000	2.31000000
Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293	Unleased	1.56000000	1.76000000
Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293	Unleased	0.37000000	0.41000000
Eddie Jason Dickenson 1122 Kentucky Ave. Norton, VA 24273	Unleased	0.58000000	0.65000000
Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212	Owner	17.22000000	19.41000000
TOTAL GAS ESTATE		100.00000000	112.69000000
Percentage of Unit Leased Percentage of Unit Unleased		97.49000000 2.51000000	/
Acreage in Unit Leased Acreage in Unit Unleased			109.87000000 2.82000000
	ACIN LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25705-3247  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Eddie Jason Dickenson 1122 Kentucky Ave. Norton, VA 24273  Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212  TOTAL GAS ESTATE  Percentage of Unit Leased Percentage in Unit Leased Acreage in Unit Leased	Attn: John Mooney 5260 Irwin Road Huntington, WV 25705-3247  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Eddie Jason Dickenson 1122 Kentucky Ave. Norton, VA 24273  Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212  TOTAL GAS ESTATE  Percentage of Unit Leased Percentage in Unit Leased Acreage in Unit Leased	ACIN LLC Attn: John Mooney 5260 Irwin Road Huntington, WV 25705-3247  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293  Eddie Jason Dickenson 1122 Kentucky Ave. Norton, VA 24273  Range Resources - Pine Mountain, Inc. Attn: Jerry Grantham PO Box 2136 Abingdon, VA 24212  TOTAL GAS ESTATE  Leased  1.56000000  1.56000000  1.58000000  1.7.22000000  1.7.22000000  1.7.22000000  1.7.22000000  1.7.220000000  1.7.220000000  2.51000000  Acreage in Unit Leased

### Exhibit "B-3" - Unleased Owners V-535942

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Tract	Lessor	Lease Status	Inte <b>ြေ၏ (ြုံးဂြုံးနာ</b> ြောင့ Unit	g <b>şşi Açrea</b> ge in Unit
		Gas Estate Only		
7	Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293	Unleased	1.56000000	1.76000000
8	Larry Carson Boggs 8201 Birchfield Rd. Wise, VA 24293	Unleased	0.37000000	0.41000000
9	Eddie Jason Dickenson 1122 Kentucky Ave. Norton, VA 24273	Unleased	0.58000000	0.65000000
	TOTAL GAS ESTATE		2.51000000	2.82000000

INSTRUMENT #201201840
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
JULY 2, 2012 AT 02:12PM

INSTRUMENT #201200234
RECORDED IN THE CLERK'S OFFICE OF
WISE COUNTY ON
JANUARY 25, 2012 AT 10:15AM

J. JACK KENNEDY, JR., CLERK RECORDED BY: ADH